

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

November 1, 2013

David McMullin
C.S. Mining LLC
PO Box 608
Milford, Utah 84751

Subject: Conditional Approval of Amended Notice of Intention to Commence Large Mining Operations and Reclamation Surety, C.S. Mining LLC, Hidden Treasure Mine, M/001/0067, Beaver County, Utah

Dear Mr. McMullin:

The Division of Oil, Gas and Mining conditionally permits construction of the Sunrise haul road on private lands as outlined in the amended Notice of Intention to Commence Large Mining Operations (Notice). The permitted disturbed area for the Hidden Treasure Mine is now 220.6 acres (an increase of 9.9 acres).

This approval is effective immediately, but the following conditions apply:

1. By November 8, 2013, the Division must receive the original rider for the reclamation surety increasing the surety \$276,000.00 to \$3,504,000.00. The Division acknowledges receipt of an electronic copy of this rider.
2. Other mining-related activities shown on the maps, such as stripping topsoil or mining the Sunrise pit, may not be started until the Division receives a response to comments sent with a letter dated September 12, 2013, and until the Division has approved the proposal. Since the current amendment was a "stand-alone" submittal (rather than a page replacement), it will need to be incorporated in the Notice as part of upcoming modifications to the Notice.

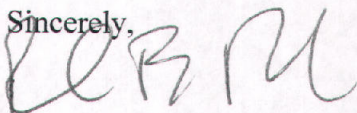
Please be advised that approval must also be obtained from the Bureau of Land Management (BLM) before beginning construction of the Sunrise haul road on BLM land, or of other proposed mining activities on adjacent BLM land and/or minerals. The approval or acceptance of a complete notice of intention does not relieve an operator from his responsibility to comply with the applicable statutes, rules, regulations, and ordinances of all local, state and federal agencies with jurisdiction over any aspect of the operator's mining operations.



Page 2 of 2
David McMullin
M/001/0067
November 1, 2013

Enclosed is a copy of the "approved" pages of the Notice. A copy of the revised surety will be forwarded when the Division receives the original. Please keep the Notice current by submitting changes using Form MR-REV-att, located at www.ogm.utah.gov. Thank you for your cooperation in completing this amendment.

Sincerely,



Paul B. Baker
Minerals Program Manager

PBB: pnb: eb

Enclosure: Copy of approved pages

cc: Bob Bayer, consultant (bob@rjbayerpgeo.com); Ed Ginouves, BLM-Cedar City (eginouve@blm.gov)
P:\GROUPS\MINERALS\WP\M001-Beaver\M0010067-HiddenTreasure\final\APVL-5694-11012013.doc